

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

In re: : Case No.: 17-23657-GLT
: Chapter: 11
Marks, Inc. :
:
:
:
Debtor(s). : Date: 8/17/2018
Time: 11:00

PROCEEDING MEMO

MATTER: #112 - Plan Confirmation Hearing:
#110 - Chapter 11 Small Business Disclosure
Statement
#109 - Chapter 11 Plan dated 7/6/2018
#117 - COC Regarding Stipulation and Agreed
Order Regarding Amount of Brandywine
Agency, Inc.'s Claim
#120 - Summary of Ballots

[Objections to Disclosure Statement due 8/9/2018]
[Last Day to Objection to Confirmation 8/9/2018]

APPEARANCES:

Debtor: John Lacher
PA DOR: Larry Palmer

NOTES:

Lacher: The disclosure statement was conditionally approved and I have received no objections. It contains adequate information under Section 1125. I would like the Court to approve the disclosure statements.

Court: I will approve the disclosure statement.

Lacher: The only impaired class in the plan has accepted the plan. Going class by class, classes 1-4 are all secured. I received no votes from any of them. All are unimpaired and will receive full payment.

Court: What about Class 2's description of "receiving payment in accordance with contract?" What is the payment?

Lacher: I may have forgotten to put it in. The payment is \$650 a month. We anticipate administrative attorney fees in the amount of \$30,000, and hope those to be paid on the effective date. We will adjust payment duration as necessary. Priority class 7 is Bottling Group and Priority class 8 is the Pennsylvania Department of Revenue. There is an unsecured claim from Frito Lay, but a portion of it (\$303) is priority. They submitted an accepting ballot. Class 9 is unsecured claims. I received four votes and all of them vote to affirm. They are receiving 27 cents on the dollar for their claims over the next five years.

Court: What is the actual dollar amount that constitutes the 27% listed in the plan?

Lacher: Unsecured creditors are to be paid \$1,980 a month. We can say it that way if it is better.

Court: That would be better. Any objections to the plan from Mr. Palmer?

Palmer: We approve of the plan.

Court: Are there any anticipated complications from the closure of the Butler location and the reduction to one operating location in Mount Washington? Because it looks like they would not be able to pay the unsecured creditors according to the plan payment.

Lacher: It looked rough at first but the Mount Washington operating reports have posted profits over the last two months. The projected numbers allow an excess over the plan payments in the future.

Court: It looks like the unsecured creditors are to be paid \$23,785 annually but I do not see where that number was coming from.

Lacher: The total number of claims is \$440,464. The amount should be \$19,842 but we can change it to reflect \$23,785.

Court: The plan lists an annual payment so I would prefer it to be the \$23,785, as opposed to \$1,980 a month..

OUTCOME:

1. The disclosure statement [Dkt. No. 109] is approved on a final basis (Text order to issue).
2. The small business plan [Dkt No. 109] is approved subject to the amendments above (o/e).
3. Post-confirmation order to issue (DB to prepare).

DATED: 8/17/2018